JOSEPH ONEBANE (1917-1987) JOHN G. TORIAN, II (1936-1991)

TIMOTHY J. MCNAMARA
EDWARD C. ABELL, JR.
LAWRENCE L. LEWIS, III†
ROBERT M. MAHONY
DOUGLAS W. TRUXILLO*
RANDALL C. SONGY
MICHAEL G. DURAND
GREG GUIDRY*
JOSEPH L. LEMOINE, JR.††
MARK L. RILEY
GRAHAM N. SMITH*
GORDON T. WHITMAN
GARY P. KRAUS
RICHARD J. PETRE, JR.
CHARLES J. BOUDREAUX, JR.
THOMAS G. SMART
ROGER E. ISHEE**
STEVEN C. LANZA
JESSE D. LAMBERT††*
ROBERT J. DAVID, JR.
BRENT G. SONNIER***
MARIA FABRE MANUEL
GREG R. MIER††
MICHAEL P. MARAIST
JOAN LABBE BOUDREAUX



SUTTE 600 VERSAILLES CENTRÉ 102 VERSAILLES BOULEVARD (70501) POST OFFICE BOX 3507 LAFAYETTE, LOUISIANA 70502-3507

> FAX: (337) 266-1232 TDD: (337) 266-1217 TELEPHONE: (337) 237-2660

> > www.onebane.com

October 10, 2002

OF COUNSEL
WILLIAM E. KELLNER
MARK B. OLIVER
CRAIG A. RYAN
GREGORY K. MOROUX
FRANK H. SPRUIELL, JR.*
FREDERICK R. PARKER, JR.†
MICHAEL D. SKINNER

SHREVEPORT OFFICE

400 TRAVIS STREET, SUITE 1000 SHREVEPORT, LA 71101

TELEPHONE (318) 674-9770 FAX (318) 674-9775

‡LL.M. IN HEALTH LAW †BOARD CERTIFIED TAX ATTORNEY LL.M. IN TAXATION †REGISTERED PATENT ATTORNEY

*ALSO ADMITTED IN TEXAS
**ALSO ADMITTED IN MISSISSIPPI
***ALSO ADMITTED IN OKLAHOMA

APPLICATION

Honorable James H. Welsh Commissioner of Conservation P.O., Box 94275 Baton Rouge, LA 70804-9275

RE:

Cibicides Hazzardi 2-3 Zone, Reservoir A

Berry Lake Field

Iberville Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **PETROQUEST ENERGY**, **L.L.C.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **Cibicides Hazzardi 2-3 Zone**, **Reservoir A**, **Berry Lake Field**, Iberville Parish, Louisiana, to-wit:

- 1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of oil and gas, such unit to be designated the CIB H 2-3 Zone, Reservoir A, SUA;
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation;
- To designate the PetroQuest Energy, L.L.C. EEX Operating, L.P.
 No. 1 Well as the unit well for the proposed unit;

- 4. To designate PetroQuest Energy, L.L.C. as the unit operator for the proposed unit;
- 5. To provide that any future wells drilled to the Cibicides Hazzardi 2-3 Zone outside of the proposed unit should be located in accordance with the spacing provisions of Statewide Order No. 29-E:
- 6. To provide that any future substitute and alternate unit wells for the proposed unit should be exempt from any spacing or location requirements;
- 7. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
- 8. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cibicides Hazzardi 2-3 Zone in the Berry Lake Field, Iberville Parish, Louisiana, is hereby defined as that oil and gas bearing zone encountered between the depths of 13,338 feet and 13,656 feet, electric log measurements, in the PetroQuest Energy, L.L.C. - EEX Operating, L.P. No. 1 Well, the bottomhole of which is located in Section 110, Township 10 South, Range 10 East, Iberville Parish, Louisiana.

A conference to discuss the proposed application and any opposition thereto was held at 10:30 a.m. on the 10th day of October, 2002, at the Onebane Law Firm, 102 Versailles Blvd., Suite 600, Lafayette, Louisiana 70502, (337)237-2660. A list of the parties who attended the pre-application conference is attached. Randall C. Songy, attorney for the applicant, opened the conference with a brief discussion of the Rules of Procedures. Bill McAlister, geological consultant for the applicant, explained the applicant's proposal and the geological, engineering and other bases therefor, and answered questions. W. H. Robbins, representing EEX Operating, L.P., presented a counterplan which split the proposed zone definition into two sand definitions and proposed a separate unit for each sand. Other parties reserved their rights to file counterplans. The conference was then adjourned, though the parties did plan to have further discussions to attempt to resolve their differences.

Pertinent data relating to the proposed application can be obtained, <u>AT THE COST OF THE REQUESTING PARTY</u>, by contacting Bill McAlister, Leon Comeaux & Associates, P. O. Box 53922, Lafayette, LA 70505, (Phone 337-233-9839).

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed herein is our check in the amount of \$700.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,

RANDALL C. SONGY

RCS/bad

Enclosures

cc:

Mr. Richard Hudson, District Manager Office of Conservation

All Interested Owners, Interested Parties and Represented Parties

